

Amendments to the Specification:

Please replace the five paragraph beginning on page 21, line 1 of the application, as amended in the Response submitted August 20, 2004, with the following amended paragraphs (Applicant notes revisions have been made only to the second paragraph):

If an idv was received in receiving operation 410, then operation flows from operation 422 to determining operation 432. Determining operation 432 compares the received idv with the list of idv's in the registered user's record to determine whether the received idv is within the relevant range of the registered user's list of idv's. In other words, the determining operation 432 searches idv's only within the relevant range. Implementation of the comparison may be accelerated by prior creation of a second sorted copy of the list of idv's with pointers to the location of each idv in the original list.

If the idv received is not within the relevant range of the registered user's idv's, that is, if the idv received ~~match~~matches none of the idv's in the relevant range of the registered user's list of idv's, then communication operation 434 sends a message to the requesting party indicating that an identity crime is potentially being committed.

If the idv received is within the relevant range of the registered user's idv's, that is, if the idv received matches one of the idv's in the relevant range of the registered user's list of idv's, then determining operation 436 compares the received idv with a list of idv's already used to determine whether the received idv has been used before.

As discussed above, idv character strings may be repeated as long as the repeat occurs outside a "relevant range". Therefore, the search in operation 436 of previously used idv's should search only within the relevant range of the idv list.

If the received idv has been used before, then communications operation 438 sends a message to the requesting party indicating that the submitted idv has been used before. There are two main possible reasons that an idv would have been used before. First, the second attempt to use the idv could be an identity fraud attempt. Second, the type of transaction being performed might have two legitimate requesting parties. For example, in a payment by check type of transaction, the registered user may write out a check to a retailer and provide an idv to the retailer. The retailer submits the idv to the identity verification system and obtains verification of the registered user's identity (and receives a verification transaction identifier). The retailer

then attempts to cash the check at a bank. The bank may submit the idv to the identity verification system. This submission would be a second use of the idv, but it would not be an attempted identity crime. The flow operations 438, 440, 441, 442 and 443 distinguish between these two possible reasons for multiple idv use. Communications operation 438 requests submission of an earlier verification transaction identifier. Communications operation 438 may receive an earlier verification transaction identifier from the requesting party in response to the request.